

1 CASINO BETTING, RATING AND INVESTMENT SYSTEM

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3 **Background and Summary of the Invention:**

4 The instant invention relates to a business method for casinos to attract patrons and
5 retain their loyalty, and more specifically, the invention relates to an investment system for
6 casino betting wherein casino patrons can establish a casino investment account and deposit
7 winnings or rating points into the casino investment account.

8 In order to maintain patron loyalty, many casinos have developed a rating system or
9 "comp" system, wherein casino patrons are provided with a rating card, and depending on the
10 time spent in the casino, or the accumulated amount of money bet over a period of time, the
11 casino will award "comp" or rating points. For example, a patron may be awarded 1 rating
12 point for every certain dollar value bet on a gaming table. Rating points are accumulated in
13 the patrons rating account and can be exchanged for or credited towards casino services and/or
14 goods, such as hotel accommodations, meals and souvenirs. These casino rating systems have
15 become widespread and have been found to increase patron loyalty by giving the patron an
16 incentive to return to the casino, i.e. to redeem points awarded at an earlier date. Typically,
17 most casinos don't make rating points immediately available for redemption. The rating
18 points accumulated on one visit would be available for the next visit.

19 In the past, when there were relatively few licensed casinos in the United States,
20 patron loyalty was important, but not critical to casino revenues. While it was important to
21 maintain a regular repeat customer base, the casino did not count on such repeat customers to

1 make large profits. This was largely true because there were only so many licensed casinos
2 and there were more than enough customers to provide all of the casinos with a sufficient
3 customer base. However, recent dramatic increases in the number of casinos around the
4 country has increased competition among casinos and there is now a push to develop systems
5 that will maintain loyalty among regular repeat customers.

6 The instant invention provides a unique casino betting and rating system that allows
7 casino patrons to deposit certain portions of rating points and/or casino winnings into special
8 casino investment accounts that could then be transferred to a conventional financial
9 institution investment account, such as a Mutual Fund, IRA, Roth IRA, SEP, or Keogh, as a
10 means of increasing patron regular savings and/or retirement savings.

11 More specifically, patrons of a casino employing the present system will apply for a
12 casino investment account, into which deposits can be made by various methods. For
13 example, a selected portion of a patron's bets can be earmarked as "pension" or "investment"
14 bets, these bets being placed on tables and paid out with differently marked chips. Any
15 winnings from these bets could be placed into the casino investment account maintained by
16 the casino. Alternatively, "comp" or "rating" points accumulated through normal betting
17 could be exchanged and deposited into the casino investment account.

18 The casino operation can choose to establish and maintain investment services,
19 essentially becoming a financial institution., or alternatively can establish a relationship with
20 an existing financial institution whereby the patron's casino investment account is tied to a
21 corresponding investment or retirement account maintained by a financial institution. These

1 “Investment ” accounts would comprise conventional IRA’s, variable annuities or any other
2 commonly available financial instrument which would accumulate interest, dividends capital
3 gains, etc. over time and be drawn upon at a later date.

4 In the case of the casino establishing itself as a financial institution, the investment
5 accounts would be invested into mutual funds, IRA’s etc. at the direction of the patron.

6 In the case of an outside financial institution, once a certain minimum balance is
7 reached in the casino investment account the patron could request that the amount be
8 transferred into their “retirement account” or “investment account” at the financial institution
9 in the same way regular businesses and individuals make deposits into investment accounts.

10 Accordingly, among the objects of the instant invention are: the provision of a casino
11 betting and rating system that will increase casino patron loyalty; the provision of a casino
12 betting, rating and investment system that permits a patron to deposit rating points or
13 earmarked “investment” winnings into a casino investment account as means of increasing
14 patron regular savings or retirement savings; and the provision of a casino betting, rating and
15 investment system that associates the casino investment account with an established
16 investment account of a financial institution.

17 Other objects, features and advantages of the invention shall become apparent as the
18 description thereof proceeds when considered in connection with the accompanying
19 illustrative drawings.

Description of the Drawings:

In the drawings which illustrate the best mode presently contemplated for carrying out the present invention:

Fig. 1 is a schematic illustration of the casino betting, rating and investment system in accordance with the teachings of the present invention;

Fig. 2 is a flow chart illustrating the flow of cash deposits;

Fig. 3 is a flow chart illustrating the flow of deposits when using casino "investment chips";

Fig. 4 is a flow chart illustrating the use of investment rating points for deposit;

Fig. 5 is a flow chart illustrating the use of conventional rating points for deposit; and

Fig. 6 is a flow chart illustrating the conversion of conventional rating points for investment rating points and subsequent deposit.

Description of the Preferred Embodiment:

Referring now to the drawings, the casino betting, rating and investment system of the instant invention is schematically illustrated and generally indicated at 10 in Fig. 1. As will hereinafter be more fully described, the instant invention provides a unique casino betting, rating and investment system 10 that allows casino patrons to deposit certain portions of rating points and/or casino winnings into special casino investment accounts 12 that are maintained by a casino 14. Deposits into the casino investment accounts 12 could then be transferred to a conventional financial institution investment account 16, such as a Mutual Fund, IRA, Roth IRA, SEP, or Keogh, maintained by a financial institution 18. The system 10 would serve as a marketing tool as a means of increasing patron loyalty while also providing a public service benefit by increasing the patrons regular savings and/or retirement savings.

More specifically, patrons of a casino 14 employing the present system will apply for a casino investment account 12, into which deposits can be made by various methods. For example, a selected portion of a patron's bets can be earmarked as "investment" or "pension" bets, these bets being placed on tables and paid out with differently marked chips. Any winnings from these bets could be placed into the casino investment account 12 maintained by the casino 12. Alternatively, "comp" or "rating" points accumulated through normal betting could be exchanged and deposited into the casino investment account 12.

The casino 14 can choose to establish and maintain investment services, essentially becoming a financial institution., or more likely, can establish a relationship with an existing

1 financial institution 18 whereby the patron's casino investment account 12 is tied to a
2 corresponding investment or retirement account 16 maintained by the financial institution 18.

3 These "investment " accounts 16 comprise mutual funds, conventional IRA's, variable
4 annuities or any other commonly available financial instrument which would accumulate
5 interest, dividends capital gains, etc. over time and be drawn upon at a later date.

6 In the case of the casino 14 establishing itself as a financial institution, the investment
7 accounts 12 would be directly invested into mutual funds, IRA's etc. at the direction of the
8 patron.

9 In the more likely case where the casino 14 associates itself with an independent
10 financial institution 18, once a certain minimum balance is reached in the casino investment
11 account 12 the patron could request that the amount be transferred into their "investment
12 account" 16 at the financial institution 18 in the same way regular businesses and individuals
13 make deposits into investment accounts. For purposes of description of the remaining
14 portions of the system, it is assumed that the casino is associated with an outside financial
15 institution 18 that handles actual investment of the money into financial instruments. This is
16 not to be construed as a limitation of the present system, but only as a representative example
17 of a preferred embodiment.

18 Referring now to Figs. 1-6, deposits can be made into the casino investment account
19 12 in many different ways, including direct cash deposits 20, by buying and cashing in special
20 "investment chips" 22, by redeeming special "investment" rating points 24, or by redeeming
21 conventional rating points 26 for equivalent values of cash or investment rating points. All

1 deposits and transactions concerning the casino investment account 12 would be conducted
2 through a casino cashier's window 28 or a special customer service window located on casino
3 premises and dedicated to conducting such transactions. By requiring the transactions to be
4 handled on casino premises, the casino requires that the patron return to the casino multiple
5 times and creates a repeat customer base.

6 Referring now to Fig. 2, the casino patron can deposit cash directly into the casino
7 investment account. Any cash deposited is held in trust until a specified minimum dollar
8 value is reached, at which time, the patron can instruct the casino 14 to transfer the deposits
9 into the patrons associated Investment account 16. The patron would later contact the financial
10 institution 18 to provide instructions on actual investment of the balance in the investment
11 account 16.

12 Referring to Fig. 3, the casino could establish a separate set of "pension chips" or
13 "investment chips". Patrons may change in for these special investment chips at the gaming
14 tables and proceed to place bets in the usual manner. On regular gaming tables, such as
15 Blackjack or Craps, the investment chips would be used in place of regular chips. On a
16 roulette table, which uses different colored chips to designate different players, the player
17 would "color in", i.e. change, the colored chips for the investment chips before leaving the
18 table. Winnings from bets made with the investment chips would be paid out in investment
19 chips. The investment chips could then be cashed in at the cashier's window 28 and directly
20 deposited into the patron's casino investment
21 account 12.

Referring to Fig. 4, the casino 14 can establish a separate “investment rating system” wherein “investment rating points” are accumulated in a special investment rating account 30. As is well known in the casino world, casinos will award rating points to patrons based on accumulated dollar amounts of betting. For example, a patron may be awarded 1 rating point for every certain dollar value bet on the table. Rating points are typically used for buying casino services or goods, such as hotel accommodations and meals. The patron would establish an investment rating account 30 with the casino 14, which would then issue a special “investment rating card”. The patron will present the investment rating card at the gaming tables where the patron will accumulate investment rating points as the patron places bets in the casino. The investment rating points are issued according to an investment rating formula established by the casino. The investment rating points would be issued to the patron and accumulated in the patron’s account 30 over time. When a certain minimum threshold limit is reached, the investment rating points are redeemed and transferred to the patron’s casino investment account 12. Deposits in the casino investment account in turn are transferred to the Patron’s associated financial institution “investment account” 16.

Referring now to Fig. 5 and 6, the casino can utilize its existing or “conventional” rating system with the present system by establishing direct exchange rates for redeeming conventional rating points for a cash value for deposit into the casino investment account 12, or an exchange rate for converting the conventional rating points for investment rating points which can then in turn be redeemed for a cash value deposit into the casino investment account 12.

1 It can therefore be seen that the present invention provides a unique and financially
2 valuable betting, rating and investment system for use in casinos. The system serves as an
3 effective and attractive marketing tool to increasing patron loyalty while also providing a
4 valuable public service benefit by increasing the patron's regular savings and/or retirement
5 savings. For these reasons, the instant invention is believed to represent a significant
6 advancement in the art which has substantial commercial merit.

7 While there is shown and described herein certain specific structure embodying the
8 invention, it will be manifest to those skilled in the art that various modifications and
9 rearrangements of the parts may be made without departing from the spirit and scope of the
10 underlying inventive concept and that the same is not limited to the particular forms herein
11 shown and described except insofar as indicated by the scope of the appended claims.